

# ASF IX

## PRESENTATION TO PASERS

September 2022

ARDIAN

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Please see PPM for further information on expected transition of certain team members over the life of the fund.

<sup>1</sup> Professional clients as defined in article 4(10) and Annex II of Directive 2014/65/EU.

<sup>2</sup> As defined in Rule 501 of Regulation D and Section 2(a)(51) of the Investment Company Act, respectively.

# PRESENTERS

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**DOMINIQUE SENEQUIER**

Founder and President  
Executive Committee Member



**VLADIMIR COLAS**

Senior Managing Director  
Co-Head Ardian US  
Executive Committee Member



**TAEA CALCUT**

Sustainability Director

# ARDIAN

**US\$141BN**

OF ASSETS MANAGED OR ADVISED

> Ardian is a world-leading private investment house that provides solutions through its broad range of capabilities and expertise.

Source: Ardian, as of August 2022. AuM figures as of June 30th, 2022.

Exchange rates: €1 = \$1.0387; €1 = £0.8582; \$1 = £0.8262; €1 = CHF0.9960; \$1 = CHF0.9589; €1 = JPY141.5400; \$1 = JPY136.2665.

For illustrative purposes only, no contractually binding force.

## INVESTMENT SOLUTIONS

Ardian Customized Solutions  
Private Wealth Solutions

## INVESTMENT ACTIVITIES

### PRIVATE EQUITY

US\$108BN

Secondaries & Primaries  
Co-Investment  
Buyout  
Expansion  
Growth  
North America Fund

### REAL ASSETS

US\$23BN

Infrastructure  
Real Estate  
Real Assets Debt

### CREDIT

US\$10BN

Private Debt  
NAV Financing

# EXECUTIVE SUMMARY

1

## PROVEN STRATEGY & STRONG TRACK RECORD

- Disciplined investment approach “**buy what we know**” focusing on high quality assets managed by **blue-chip GPs**
- **+\$40bn** of secondary transaction volume completed in the last 4 years
- **Strong sourcing capabilities** across geographies; **high rate of repeat sellers**
- Consolidated performance since inception of 1.78x /23% gross IRR\* and **1.64x /18% net IRR\*\***

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## LARGE GLOBAL TEAM & INTEGRATED PLATFORM

- One of the market’s **largest team** (100+ professionals) across 11 offices <sup>(1)</sup>
- **Proprietary Fund of Funds database** spanning 600+ GPs, 1,600 funds and 10,000 portfolio companies
- **Overall FoF AUM \$81bn / Average \$13bn annual deployment** in primaries and secondaries\*\*\*

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## COMPELLING MARKET OPPORTUNITY

- **Record levels of primary fundraising** (\$7trn, 2016-2021) fuelling secondary deal flow
- **Record year of secondary transactions volume** \$134bn in 2021; anticipating \$300bn+ by 2030 <sup>(2)</sup>
- **High entry barriers** in large and complex transactions where Ardian maintains a leading position

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## ATTRACTIVE PRODUCT

- Faster potential return: **reduced J-curve impact**, shortened duration and more **predictable cash flows**
- Favorable risk profile: **limited blind pool**, strong portfolio **diversification** with higher visibility on value & performance
- **Attractive risk adjusted returns**: Ardian Secondaries outperformed during various crises / loss ratio at only 1% <sup>(3)</sup>
- **Substantial co-investments** made available to LPs with **+\$18bn** offered since ASF IV

Source: Ardian, as of August 2022. For illustrative purposes only, no binding contractual force. \*Gross performance is at portfolio level, before management fees and carried interest. \*\* Net IRR includes the impact of management fees, expenses and carried. \*\*\* On average since 2018. FoFAUM as of June 30, 2022. Consolidated performance across previous fund generations and co-investments as of March 31, 2022. Past performance is not necessarily indicative of future returns on these or other funds. ASF refers to Ardian Secondary Funds. [1] Including new joiners to start between August and September 2022. [2] Not guaranteed. [3] Since inception the value of paid in capital in transactions valued or realized below 1.0x cost vs the total paid in capital since inception

# LARGE & EXPERIENCED TEAM OF OVER 100 INVESTMENT PROFESSIONALS

## ASF IX MANAGEMENT COMMITTEE



**DOMINIQUE SENEQUIER**  
Founder and President  
Executive Committee Member



**MARK BENEDETTI**  
Senior Managing Director  
Co-Head Ardian US  
Executive Committee Member



**VLADIMIR COLAS**  
Senior Managing Director  
Co-Head Ardian US  
Executive Committee Member



**JAN PHILIPP SCHMITZ**  
Senior Managing Director  
Head of Ardian Asia & Germany  
Executive Committee Member



**MARIE-VICTOIRE ROZÉ**  
Senior Managing Director  
Paris



**BERTRAND CHEVALIER**  
Senior Managing Director  
London



**MANUEL HAEUSLER**  
Senior Managing Director  
Frankfurt



**MARTIN KESSI**  
Head of Ardian Switzerland  
& Senior Managing Director  
Zurich



**DARYL LI**  
Senior Managing Director  
New York



**WILFRED SMALL**  
Senior Managing Director  
San Francisco/London



**LUCAS COLEON**  
Managing Director  
New York



**MARIA DAGUERRE**  
Managing Director  
Paris



**NICOLAS DUCHANGE**  
Managing Director  
Paris



**MICHEL FELLMANN**  
Managing Director  
Zurich



**GRÉGOIRE GUINOT**  
Managing Director  
Paris



**WON HA**  
Head of Ardian Singapore &  
Korea & Managing Director  
Singapore



**MICHAEL HU**  
Managing Director  
Singapore



**SARA HUANG**  
Managing Director  
New York



**CAROLINE LETELLIER**  
Managing Director  
London



**ARNAUD MERCIER**  
Managing Director  
London



**FELIX SIGNORELL**  
Managing Director  
Zurich



**MATTHIEU TEYSSIER**  
Managing Director  
London



**GEORGES VAN DEN BOSCH  
WAZEN**  
Managing Director  
London



**COLIN WANG**  
Managing Director  
Beijing



**JASON YAO**  
Head of Greater China  
Managing Director  
Beijing

### AMERICAS



New York – San Francisco – Santiago

#### 37 Investment Professionals

- 4 Senior Managing Directors
- 2 Managing Directors
- 3 Directors
- 7 Senior Investment Managers
- 4 Investment Managers
- 17 Analysts

### EUROPE



London – Paris – Frankfurt – Zurich – Luxembourg

#### 47 Investment Professionals

- 7 Senior Managing Directors
- 9 Managing Directors
- 5 Directors
- 6 Senior Investment Managers
- 9 Investment Managers
- 10 Analysts

### ASIA



Singapore – Beijing – Seoul

#### 16 Investment Professionals

- 4 Managing Directors
- 2 Directors
- 1 Senior Investment Manager
- 6 Investment Managers
- 3 Analysts

# ARDIAN SECONDARY STRATEGY

## Investment Strategy

- **SECONDARY INVESTMENTS**  
Acquire interests in Buyout & Growth funds and portfolios of interests that are at least 50% funded
- **HIGH QUALITY ASSETS** with Blue-Chip GPs, generating predictable cash-flows where Ardian has a **HIGH DEGREE OF COVERAGE** through its monitoring database
- **SOURCING** through wide network of sellers
- **GLOBAL APPROACH** with a focus on funds investing in North America and Western Europe
- **LARGE & COMPLEX TRANSACTIONS** where price is not the determining factor (i.e. structuring, speed of execution, GP led, facilitation of team spin-outs from captive managers)
- **PROACTIVE PORTFOLIO MANAGEMENT** accelerating early liquidity to LPs via recapitalisations/ portfolio sales

## Competitive Advantages



Integrated Investment Activities:  
Primary & Secondary



Disciplined Investment Approach



Ardian's Proprietary Fund Database



Certainty & Speed of Execution



Significant Co-Investments Offering



Strong Market Positioning and Scalability

# SECONDARY FUNDS PERFORMANCE

Fund name	Vintage	Size (\$m)	% Committed	AS OF TODAY*			AS OF JUNE 30, 2022						
				Capital Called (\$m)	Capital Distributed (\$m)	Cash on Cash Return	NAV (\$m)	% Max Net Cash at Work/Cmt	Multiple on Max Cash at Work	Net Multiple *	Net IRR *	Gross Multiple **	Gross IRR **
ASF I	1999	220	99%	208	397	191%	0	30%	5.95x	1.91x	39%	2.12x	52%
ASF II	2001	480	93%	442	710	161%	0	45%	3.27x	1.61x	22%	1.79x	29%
ASF III	2004	1,040	84%	869	1,478	170%	3	23%	6.26x	1.70x	44%	1.93x	62%
ASF IV	2006	2,854	95%	2,502	3,553	142%	3	65%	1.92x	1.42x	8%	1.62x	12%
ASF V	2011	5,085	97%	4,136	6,564	159%	14	51%	2.53x	1.59x	15%	1.79x	19%
ASF VI	2014	6,000	98%	4,933	6,364	129%	911	52%	2.33x	1.47x	12%	1.62x	15%
ASF VII	2015	7,500	99%	4,797	3,240	68%	4,715	47%	2.25x	1.66x	18%	1.81x	21%
ASF VIII	2018	13,910	87%	6,095	1,007	17%	8,891	37%	1.93x	1.62x	40%	1.79x	42%
Secondary Private Equity				23,982	23,314	97%	14,537	45%	2.26x	1.58x	17%	1.75x	23%

Red denotes funds in which PASERS has invested

## Co-investments on ASF Funds:

**+\$18bn offered**  
since ASF IV as of March 2022

**1.87x** Consolidated Net Multiple  
**20%** Consolidated Net IRR

Source: Ardian, performance as of June 30, 2022.

\*% Committed, Capital Called, Capital Distributed and Cash on Cash Return as of August 8, 2022. \*\*Net to investors (Net of fees, expenses and team co-investment) \*\*\*Gross, at portfolio level including currency hedging. The legal names of ASF I, ASF II, ASF III, ASF IV and ASF V are AXA Secondary Fund I, AXA Secondary Fund II, AXA Secondary Fund III, AXA Secondary Fund IV and AXA Secondary Fund V respectively. The above table contains information, including details of investment performance, in respect of Funds which are closed to new investors. For information purposes only. No binding contractual force. The historical returns achieved are not a prediction of future performance, and there can be no assurance that these or comparable returns will be achieved. Please note net figures are not available on co-investments as all co-investments are made available on a no fee, no carry basis. ASF Co-investments consolidated performances as of March 31, 2022.

# ARDIAN & PASERS RELATIONSHIP

## 18 Year Partnership with Strong Results

Figures in USD million as of June 30, 2022

	Funds	Vintage	Investor Cmt.	Net CoC Return	Net Multiple	Net IRR <sup>(1)</sup>
Realized Secondary Funds	ASF III	2004	40.0	169%	1.7x	44%
	ASF IV	2006	80.0	142%	1.4x	8%
	ASF V	2011	75.0	160%	1.6x	17%
	Realized Secondary Funds		195.0	154%	1.5x	16%
ASF 7	ASF VII	2015	100.0	68%	1.7x	18%
	ASF VII PA Co-Invest	2016	50.0	82%	1.8x	20%
	ASF 7 Consolidated		150.0	73%	1.7x	19%
ASF 8	ASF VIII	2018	100.0	17%	1.6x	39%
	ASF VIII PA Co-Investment	2020	50.0	9%	1.5x	97%
	ASF 8 Consolidated		150.0	15%	1.6x	43%
	Investor Consolidated Portfolio <sup>(2)</sup>		495.0	105%	1.6x	17%

## ASF IX Proposal

Replicating Structure of Fund VII and Fund VIII

**\$100m  
to ASF IX**

Normal Fees & Carry



**\$50m  
to PA Co-Invest  
Account**

No/ Low Fees &  
No Carry



**~33% Economic  
Discount on  
Committed Capital**

When including co-investment

**Longstanding & Successful Partnership**

Source: Ardian

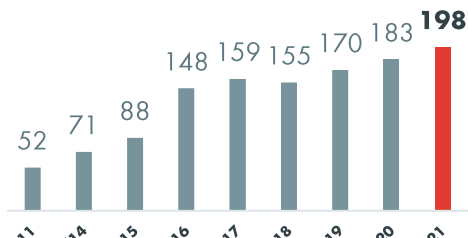
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(1) The net IRR takes into account the historical cash flows from the investor (Excluding late interest)

# ACTIVE ENGAGEMENT WITH GPS ON ESG

## ANNUAL ESG MONITORING SINCE 2011

### Rising number of participating GPs in the Annual Monitoring



### Proportion of good and top ESG performers



Source: Ardian, as of February 2021. For information purposes only. No binding contractual force.

(1) NAV percentage of Ardian FoF's portfolio managed by GPs scoring 4 stars

(2) NAV percentage of Ardian FoF's portfolio managed by GPs scoring A or A+

(3) Based on ASF VIII top 20 GPs covered by 2021 annual ESG monitoring

(4) or GPs public commitments (ex: UNPRI) when not in a position to perform an detailed ESG analysis.

## ASF VIII ESG PERFORMANCE<sup>(3)</sup>

**94%**

of GPs have a  
**Responsible Investment Policy**

**87%**

of GPs systematically assess  
ESG **during due diligence** and  
**82% during the holding period**

## A UNIQUE RELATIONSHIP WITH GPS

**Systematic feedback** to GPs, via: Individual scorecards and Survey extracts.

- Engaging proactively and maintaining ongoing **dialogue on ESG issues**
- Sharing GPs best practices, highlighting **areas of improvement** and providing insight on **main ESG trends**
- Majority of the top 10 GPs in ASF VIII scored **A or A+**

## ESG IN THE FOF INVESTMENT PROCESS

### DUE DILIGENCE

- GPs evaluation of **commitment to responsible investment** and level of ESG integration in investment process using Ardian's **proprietary ESG database**<sup>(4)</sup>

### INVESTMENT DECISION

- Analysis systematically included in **investment memos**

### HOLDING PERIOD

- **Annual monitoring through ESG questionnaire** sent to GPs to assess ESG practices at **management company and investment process** level.

# DIVERSITY, EQUITY & INCLUSION

**We are convinced that inclusive and diverse organizations are more creative, innovative and likely to outperform.**

- **In January 2021, Ardian published its Inclusion and Diversity (I&D) Charter.**
- Founding signatory of the **Institutional Limited Partners Association (ILPA) Diversity in Action initiative**
- We estimate **35% of the new recruits at Ardian US** over the last two years **have a diverse social and/or ethnic background**. 46% of the new recruits are women.
- For 10 years, the Ardian Foundation has supported projects that **promote social mobility**.
- Ardian worked with the Investor Leadership Network on an "Inclusive Finance Playbook" to help investors understand the case for monitoring diversity and inclusion KPIs, and to suggest approaches to engage portfolio companies on the topic.
- Signatory to **France Invest's Gender Diversity Charter**; Achieved **Level 2 certification from EDGE**; Member of **Level 20**, a not for profit organization dedicated to improving gender diversity in the European private equity industry.

## The four key principles of our Inclusion and Diversity Charter are:



1. Creating an inclusive working environment that welcomes people from all backgrounds;



2. Developing our agenda in three priority areas: gender balance, social diversity, and disability;



3. Promoting equal opportunities to increase our positive social impact; and



4. Using our governance system to continuously improve our initiatives and measure their effectiveness.

## Our offices worldwide



**Americas**  
New York  
San Francisco  
Santiago

**Europe**  
Paris  
Frankfurt  
Jersey  
London  
Luxembourg  
Madrid  
Milan  
Zurich

**Asia**  
Beijing  
Seoul  
Singapore  
Tokyo

### EUROPE

**Paris**  
20, place Vendôme  
75001 Paris  
FRANCE  
Ph.: +33 1 41 71 92 00

**London**  
1 Grafton Street  
London, W1S 4FE  
UNITED KINGDOM  
Ph.: +44 2071 544 300

**Frankfurt**  
An der Welle 4  
60322 Frankfurt  
GERMANY  
Ph.: +49 69 50 50 41 500

**Milan**  
Piazza San Fedele 2  
20121 Milan  
ITALY  
Ph.: +39 02 5844 2401

**Madrid**  
Calle Fortuny 6  
5ª planta  
28010 Madrid  
SPAIN  
Ph.: +34 913 08400

**Zurich**  
Bahnhofstrasse 20  
8001 Zurich  
SWITZERLAND  
Ph.: +41 44 213 27 27

**Jersey**  
Third Floor  
27 Esplanade  
St. Helier  
JE2 3QA JERSEY  
Ph.: +44 1534 601 200

**Luxembourg**  
24, avenue Émile-Reuter  
L-2420 Luxembourg  
LUXEMBOURG  
Ph.: +352 27 44 481

### AMERICAS

**New York**  
1370 Avenue of the Americas  
New York, NY 10019  
UNITED STATES  
Ph.: +1 (212) 641 8604

**San Francisco**  
Suite 1400,  
14th floor, Stewart Tower  
One Market Plaza  
San Francisco, CA 94105  
UNITED STATES  
Ph.: +1 (415) 510 8900

**Santiago**  
Av. Apoquindo 2929,  
Of. 1800, Piso 18  
Las Condes, Santiago  
CHILE  
Ph.: +3569 9 8718542

### ASIA

**Beijing**  
Unit 20-22, Level 47,  
China World Tower A  
No.1 Jian Guo Men Wai  
Avenue Chaoyang,  
District Beijing 100004  
CHINA  
Ph.: +86 10 6580-9000

**Tokyo**  
Marunouchi Nijubashi  
Building 21F  
3-2-3 Marunouchi,  
Chiyoda-ku,  
Tokyo 100-0005  
JAPAN  
Ph.: +81 3 5220 0010

**Singapore**  
1 Temasek Avenue  
Unit 20-02A Millenia Tower  
Singapore 039192  
SINGAPORE  
Ph.: +65 65133410

**Seoul**  
27F, West Tower  
Center 1 Building  
26 Euljiro 5-gil, Jung-gu  
Seoul 04539  
SOUTH KOREA  
Ph.: +82 2 6030 8750

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